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**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
SECURITIES DIVISION**

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IN THE MATTER OF DETERMINING  
Whether there has been a violation  
of the Securities Act of Washington by:

SDO - 69 - 01

CONSENT ORDER

KELLY C. RUGGLES, d/b/a/ AMERICAN  
RELIANCE GROUP

Case No: 00 - 11 - 474

Respondent

**CONSENT ORDER**

The Securities Division of the Department of Financial Institutions, pursuant to the Securities Act of Washington, and Kelly C. Ruggles do hereby enter into this CONSENT ORDER in settlement of the above captioned matter. The Securities Division has, in SDO - 064 - 01, made certain findings and conclusions, set forth under the headings "Tentative Findings of Fact" and "Conclusions of Law" and which are hereby incorporated by reference into this CONSENT ORDER. Kelly C. Ruggles hereby consents to the entry of this CONSENT ORDER without admitting or denying the Securities Division's findings and conclusions in SDO - 064 - 01 and acknowledges the Securities Division's jurisdiction over this matter and its authority to enter this CONSENT ORDER.

Based upon the foregoing:

IT IS AGREED AND ORDERED that Kelly C. Ruggles cease and desist from sales of unregistered securities in violation of RCW 21.20.140.

1 IT IS ALSO AGREED AND ORDERED that Kelly C. Ruggles cease and desist from violation of  
2 RCW 21.20.702, that section of the Washington State Securities Act dealing with the suitability of  
3 recommendations to customers.

4 IT IS ALSO AGREED AND ORDERED that Kelly C. Ruggles cease and desist from violation of  
5 RCW 21.20.010.

6 IT IS ALSO AGREED AND ORDERED that Kelly C. Ruggles cease and desist from violation of  
7 RCW 21.20.040.

8 IT IS ALSO AGREED AND ORDERED that Kelly C. Ruggles' investment adviser and securities  
9 salesperson licenses in the State of Washington shall be suspended for a period of 30 (thirty) days. Such  
10 suspension shall begin on the date of entry of this Order.

11 IT IS ALSO AGREED AND ORDERED that Kelly C. Ruggles shall pay a fine in the amount of  
12 \$5,000 to the Washington State Securities Division. Such fine shall be paid in full within seven (7) days  
13 after the entry of this Order.

14 In consideration of the foregoing, Kelly C. Ruggles withdraws his request for hearing and waives  
15 his right to a hearing on this matter, and the Securities Division hereby vacates the Statement of Charges  
16 and Notice of Intention to Enter Order to Cease and Desist SDO - 064 - 01 as to Kelly C. Ruggles except  
17 to the extent that the findings and conclusions in that Statement of Charges have been incorporated  
18 herein.  
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20 DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2001:  
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Kelly C. Ruggles

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Deborah R. Bortner  
Securities Administrator

Approved as to form:

Presented by:

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Charles A. Cleveland  
Attorney for Kelly C. Ruggles

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Rex A. Staples  
Senior Enforcement Attorney  
Approved by:

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Michael E. Stevenson  
Chief of Compliance